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ticularly the younger organizations and those located in cities without a considerable number of resident Americans, are unable to provide the service that will be possible when their membership and revenues are increased.

The American chamber of commerce is always in position to coöperate with the consular service, with representatives of the Department of Commerce, with foreign chambers and with American organizations both in the United States and abroad. In a majority of cases the initiative in establishing the chamber has been taken by the resident American consular officer, and the consul is actively interested in the chamber's work. Arrangements are frequently made with the local foreign organizations for an exchange of publications and service that proves helpful to both.

American chambers of commerce abroad have sometimes complained,

and not without reason, that their work is not accorded the support it should receive from home business men. At the same time they have realized that they lacked a direct point of contact with these home business interests. As a result some American chambers have established, and others are arranging to establish, in the United States representatives and committees to promote their interests, and particularly to increase their membership. Their plans also contemplate providing service through the medium of such representatives and through connections with commercial organizations in this country. A majority of the American chambers are organization members of the Chamber of Commerce of the United States, which is actively taking up the problems they encounter and endeavoring to improve and extend their service.

## The International Chamber of Commerce

By JOHN H. FAHEY

Chairman, Organization Committee, International Chamber of Commerce

THE International Chamber of Commerce, which was created in Paris in June, 1920, succeeds the International Congress of Chambers of Commerce and Industrial and Commercial Organizations. The International Congress of Chambers of Commerce was organized in 1904. Its first meeting was held in Liege, Belgium. Thereafter, meetings were held at Milan in 1906, at Prague in 1908, at London in 1910, at Boston in 1912, and at Paris in 1914. A permanent committee was appointed to conduct the affairs of the International Congress between the regular biennial meetings. While this project was approved by the leading countries of

the world, the International Congress failed in the essentials of an international business organization for the reason that it did not have a permanent staff and permanent headquarters to function during the intervals between general meetings, and to give force and effect to the acts and resolutions of the Congress.

Business men of the world recognized this weakness, and at a meeting of the Permanent Committee of the International Congress of Chambers of Commerce, which was held in Paris soon after the signing of the armistice, came to the conclusion that steps should be taken either to reorganize the old International Congress of Chambers

or to create a new organization which would be permanent in character and constituted so as to bind together the business and economic forces of the countries of the world, and to furnish a body to which business men of the nations could turn for information regarding commercial, financial and economic conditions in all foreign countries.

Reconstruction problems claimed the attention of the members of the Permanent Committee at the meeting in Paris after the signing of the armistice. Belgium, France and Italy needed assistance. The United States was prepared and eager to aid in the rehabilitation of these countries. In order that the problems of reconstruction might be brought effectively to the attention of American business men and financiers, the Chamber of Commerce of the United States invited Belgium, France, Great Britain and Italy to send representative business men and bankers to meet similar representatives in the United States. This opportunity was afforded at the International Trade Conference which was held in Atlantic City during October, 1919. Following the Conference the foreign delegates were taken for a tour of the principal industrial centers of the United States.

One of the concrete results of the International Trade Conference at Atlantic City was the development of plans for establishing a permanent international organization. The general principles upon which such a body should be created were agreed upon by representative delegates in attendance at the Conference. A Committee on Permanent Organization, representing the five countries which participated in the meeting, was appointed to further perfect plans for the organization. It was decided that a meeting should be held in Paris in June, 1920. The Com-

mittee on Permanent Organization was charged with the duty of studying various methods of organization in order to report a plan to the general meeting in Paris. The recommendations of the Committee on Permanent Organization were unanimously adopted, the International Chamber of Commerce was created, and a constitution and regulations for governing the International Chamber were adopted at the general meeting. It is now functioning at its temporary headquarters, 33 rue Jean-Goujon, Paris, France. Dr. Edouard Dolleans, of the University of Dijon, is serving as temporary General Secretary of the International Chamber.

In addition to the permanent headquarters, the plan provides for a general meeting every two years of delegates, representing the commerce of the nations. At such meetings resolutions and proposals on which advance notice has been given may be brought up for action as well as reports of committees which have been at work during the periods between meetings. In addition to the general meeting in which all delegates will participate there will be sectional meetings devoted to finance, transportation, production, distribution and such other divisions of business activity as the membership may wish to organize. The first general meeting of the International Chamber will be held in London during June, 1921.

A Board of Directors, representative of all the countries, has general direction of the business of the Chamber. It will organize the committees and supervise investigations, and will assemble frequently in the intervals between the general meetings of the membership. The International Headquarters will serve as a general clearing-house of international business information. It will provide a staff of

experts to work under the supervision of the Directors and Committees, and will regularly issue to the entire membership reports and bulletins on general conditions. In addition to the general staff at the headquarters, each country will be constantly represented there by an administrative commissioner of its own choosing, having expert knowledge of the special needs of his own country. In each nation holding membership in the Chamber there will be organized a National Bureau or Committee representative of the economic interests of that country, which will act as the connecting link with the International Chamber.

A definite benefit to all the people of the world is to be derived from having a voluntary body, such as the International Chamber of Commerce, thoroughly representative of many nations, ready to discuss and adjust such important questions as finance, transportation, raw materials, production, shipping, unfair competition and numerous other phases of international trade.

The world's business is handicapped not only by a lack of dependable information to guide it but also by hundreds of needless obstacles and inconsistencies in the laws affecting business in all the countries. Scores of these laws have not been changed in a hundred years or more. They were designed to control conditions existing long before present methods of transportation and communication changed the world's system of business. Today these regulations and statutes delay, confuse and waste, representing unnecessary cost in the distribution of the world's merchandise. A systematic survey of these laws and constructive suggestions from the business men, presented through their organizations, should prove helpful in eliminating these difficulties and making the commercial laws of all countries consistent

where there is no sound reason for difference.

In offering suggestions concerning legislation, the plan of organization of the International Chamber insures consideration of the questions involved and the recording of decisions in a thoroughly democratic fashion. No decision nor recommendation may be arrived at without careful study, without full public discussion and due notice to every country and every interest involved. Decisions may be reached under these rules at the general conferences of the Chamber or by means of a system of referenda which has been found successful in many countries and will now be tried on an international scale for the first time. Since all proposals must have the support of intelligent men in all parts of the world, the moving consideration in arriving at decisions must be what is best in the interest of all, for the intelligent men of business today know that nothing can be good for business which is not in the public interest.

The chief functions of the International Chamber of Commerce, therefore, will be to consider laws affecting commerce, to suggest changes and the enactment of new measures which will improve conditions; to effect reforms on their own initiative in business customs and practices which will bring better results; to gather and distribute information necessary to the better conduct of commerce and suggest to governments improvements of existing systems.

Indirect benefits are to be derived from the plan of the International Chamber. These advantages will accrue from the personal acquaintanceships made as the result of meetings such as the International Chamber will hold regularly. Progress must begin with mutual understanding and estab-

lishment of confidence. Petty jealousies and narrow views which are reported to exist in one country as against another are soon found to have little foundation in fact, or may readily be overcome if they exist at all, when intelligent men really get together determined to find a basis of agreement. Unfortunately the rivalry and competition of commerce frequently cause needless friction in the world. Many of these alleged difficulties would disappear if the men who are actually engaged in the business operations involved would meet and attempt to understand each other.

Considerable progress has been made in developing the organization as contemplated in its constitution. Belgium has established its National Bureau and has appointed its Administrative Commissioner. The same is true with respect to Italy and the United States. France and England have established their National Bureaus but have not as yet selected their Administrative Commissioners.

M. Étienne Clémentel has been elected first president for the International Chamber of Commerce. M. Clémentel was formerly French Minister of Commerce and is now a member of the French Senate. He was a member of the Supreme Economic Council. He is president of the Board of Directors of the National Office of French Foreign Commerce and president of the National Committee of Councillors of French Foreign Commerce.

Mr. A. C. Bedford, chairman of the Board of Directors of the Standard Oil Company of New Jersey, is vice-president of the International Chamber of Commerce. He is also chairman of the American committee. The American directors and alternates constitute the executive committee of the American section and are members of the

American committee. The American directors and alternates are:

Willis H. Booth, vice-president, Guaranty Trust Company, New York; former vice-president, Chamber of Commerce of the United States.

William Butterworth, president, Deere and Company, manufacturers of agricultural machinery, Moline, Illinois; vice-president, Chamber of Commerce of the United States.

John H. Fahey, publisher, Boston, former president, Chamber of Commerce of the United States, and now a member of its Senior Council. He was chairman of the Permanent Organization Committee of the International Chamber.

Edward A. Filene, president, William Filene's Sons Company, Boston; former director, Chamber of Commerce of the United States.

Harry A. Wheeler, vice-president, Union Trust Company, Chicago; first president, Chamber of Commerce of the United States, and now a member of its Senior Council.

Owen D. Young, vice-president, General Electric Company, New York; chairman, Board of Directors, Radio Corporation of America.

Dr. Frederick P. Keppel, formerly dean of Columbia College, and later third assistant secretary of war, and vice-president and director of overseas operations of the American National Red Cross, has been appointed administrative commissioner to represent the United States at the headquarters of the International Chamber in Paris.

An American section of the International Chamber has been established in the offices of the Chamber of Commerce of the United States in Washington. Mr. Lacey C. Zapf, formerly assistant manager of the Research

Department of the National Chamber, has been selected as its secretary. The American section will have an advisory committee of business men representing the different interests and geographic divisions of the United States.

This International Chamber affords a medium through which the business men of the United States may be kept constantly in touch with international affairs. Such an organization probably means more to the United States because of its vast area and the great diversity of its interests than to any other country.

The International Chamber has already taken steps to correct the evils of trade-mark piracy, to standardize documents and laws affecting commercial intercourse, to unify customs regulations and standardize the nomenclature in customs tariffs of the world. An *International Directory of Shipping and Quotation Terms* is to be compiled with a view to effecting a common interpretation throughout the world.

A research department is being organized to collect, analyze and inter-

pret statistical information for the business interests of the world. All nations at present gather statistics of their own commerce, but none regularly summarize this information in its relation to commerce of the world as a whole in such a manner as to meet the needs of business men.

The International Headquarters will digest and disseminate promptly, through the medium of regularly issued bulletins, information regarding the legislative activities of the governments of the world that may affect commerce or international business relations. Special bulletins will be issued from time to time relative to subjects of importance to the membership of the International Chamber. The annual reports of the International Chamber, the reports of special committees, the debates and deliberations of business men of the world assembled in general meeting, and interpretations of proceedings of other economic gatherings will all contribute to the centralization of valuable information which is not elsewhere assembled.

## Organization Under the Webb-Pomerene Law

By ALLEN WALKER

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EUROPEAN public sentiment has apparently been little apprehensive of harmful results from combinations of traders and manufacturers, such as are prohibited in our domestic commerce by the Sherman Law, and very liberal government recognition has been given to coöperation in commerce and industry in the principal countries abroad.

Industrial combinations have long been developed in England, Germany, France, Belgium, Scandinavia and, to some extent, in Switzerland. In Eng-

land and Germany they have, perhaps, reached the greatest importance. German associations have long been a powerful influence in foreign markets in connection with the coöperative distribution of chemicals, dyes, metal goods, electrical products and other commodities. In Great Britain, groups of manufacturers in the engineering and similar industries have long been combined in an effective way for handling foreign trade by associations, in order to avoid harmful competition with each other in overseas markets.